

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 22-10964 (MG)

Jointly Administered

CELSIUS NETWORK LIMITED and
CELSIUS KEYFI LLC,

Plaintiffs,

v.

JASON STONE and KEYFI INC.,

Defendants.

Adversary Proceeding
No. 22-01139 (MG)

**JOINT STIPULATION AND AGREED ORDER BETWEEN PLAINTIFFS CELSIUS
NETWORK LIMITED AND CELSIUS KEYFI LLC AND DEFENDANTS
JASON STONE AND KEYFI INC.**

This stipulation and agreed order (the “Stipulation and Order”) is entered into by and among Plaintiffs Celsius Network Limited and Celsius KeyFi LLC (the “Plaintiffs” or “Celsius”), and Defendants Jason Stone and KeyFi Inc. (the “Defendants” and together with the Plaintiffs, the “Parties”) in the above-captioned adversary proceeding (the “Adversary Proceeding”). Each of the Parties agrees and stipulates to the following:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network, Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey (07030).

WHEREAS, on August 23, 2022, Plaintiffs filed an adversary complaint (the “Complaint”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) against Defendants;

WHEREAS, on October 13, 2022, Celsius filed an Amended Complaint against Defendants in the Adversary Proceeding asserting claims for turnover, conversion, fraudulent misrepresentation, breach of fiduciary duty, unjust enrichment, replevin, and accounting;

WHEREAS, on November 14, 2022, Celsius filed a Motion for Preliminary Injunction (the “Motion”) Pursuant to Rule 7065 of the Federal Rules of Bankruptcy Procedure;

WHEREAS, the Bankruptcy Court conducted a Case Management Conference on Wednesday, November 23, 2022, during which it scheduled a hearing on Celsius’ Motion for January 11, 2022 (the “Hearing”), and set intervening deadlines for any expedited discovery related to the Motion;

WHEREAS, on November 28, 2022, Defendants filed their opposition to the Motion (the “Opposition”);

WHEREAS, in their Opposition, Defendants stated that they do not oppose certain relief sought by the Motion.

WHEREAS, the Parties wish to streamline the issues that remain open in connection with Plaintiffs’ Motion in advance of the Hearing through this Stipulation and Order;

WHEREAS, the Parties now jointly submit this Stipulation and Order and respectfully request that the Bankruptcy Court approve the stipulation set forth below.

IT IS THEREFORE STIPULATED, AGREED AND ORDERED THAT:

1. Beginning on the date this Stipulation and Order is so-ordered by the Court (the “Effective Date”), and continuing until otherwise ordered by this Bankruptcy Court the Defendants

and the Defendants' officers, agents, servants, employees, attorneys, and any other persons who are in active concert or participation with the Defendants (collectively, the "Defendant Parties") are restrained and enjoined from:

- a) accessing, transferring, or otherwise disposing of the Celsius Staked ETH;²
- b) accessing for any reason any Celsius Wallets;³

2. The Defendants are required, on or before 12:00 p.m. Eastern Time on December 20, 2022, to provide a sworn statement specifically identifying, under penalty of perjury, all Property, including all Stone Utilized Assets and all Subject Property, and its current location(s).

3. The Defendant Parties are required, within 48 hours of the Effective Date, to provide the Plaintiffs any and all documents containing the seed phrases and private keys associated with any and all Celsius Wallets and with the Celsius Staked ETH (or containing hints or other similar information usable to recall or determine such seed phases and private keys) currently in the Defendant Parties' possession, custody or control and that they are aware of following a reasonable inquiry (collectively, the "Seed and Key Documents"), and immediately thereafter shall destroy any copies of the Seed and Key Documents in any of the Defendant Parties'

² "Celsius Staked ETH" refers to the 24,960 ETH transferred from the Celsius Wallet with the address 0xb1adceddb2941033a090dd166a462fe1c2029484 through a smart contract with the address 0x39dc6a99209b5e6b81dc8540c86ff10981ebda29 and deposited to the Ethereum staking deposit smart contract with the address 0x00000000219ab540356cBB839Cbe05303d7705Fa and all interest or other rewards earned thereon. By agreeing to this Stipulation, the Defendants are not representing that they have the ability to access, transfer, or otherwise dispose of the Celsius Staked ETH.

³ "Celsius Wallets" are the blockchain wallets in which Celsius deposited digital assets for deployment in authorized staking and decentralized finance activities by the Defendants, and to which Celsius supplied the seed phrase and/or private keys to the Defendants. "Stone Utilized Assets" refers to any assets transferred or otherwise used by, or at the direction of, the Defendants from any Celsius Wallet. "Subject Property" refers to NFTs, interests in blockchain related companies, and any other property of any kind acquired in whole or in part with Stone Utilized Assets or their proceeds. "Property" refers collectively to the Stone Utilized Assets and the Subject Property. For the avoidance of doubt, Defendants' provision of the statement required by paragraph 2 is without prejudice to any party's rights, remedies, claims or defenses concerning the Property identified in the statement, including in connection with the Hearing.

possession, custody, or control. For the avoidance of doubt, the purpose of this provision is intended to ensure Plaintiffs that none of the Defendant Parties retain possession, custody, or control of the seed phrases and private keys associated with any and all Celsius Wallets and with the Celsius Staked ETH, while ensuring that any documents containing the seed phrases and private keys (or information usable to recall or determine the seed phrases and private keys) survive, but solely in the possession of the Plaintiffs.

4. The Hearing shall go forward with respect to all relief requested in the Motion not specifically granted pursuant to this Stipulation and Order, including Celsius' requests to restrain and enjoin the Defendant Parties from (i) transferring or otherwise disposing of any Property, including any Stone Utilized Assets and any Subject Property, or (ii) concealing the location of property that could otherwise be available to satisfy a judgment in this case, including by use of Tornado Cash⁴ or any other "mixer" or similar such application.

5. This Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Stipulation and Order.

⁴ "Tornado Cash" refers to the virtual currency mixer sanctioned by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) on August 8, 2022.

SO STIPULATED:

Dated: December 16, 2022

/s/ Mitchell P. Hurley

AKIN GUMP STRAUSS HAUER & FELD LLP

Mitchell P. Hurley

Dean L. Chapman Jr.

One Bryant Park

New York, New York 10036

Telephone: (212) 872-1000

Facsimile: (212) 872-1002

Email: mhurley@akingump.com

dchapman@akingump.com

/s/ Kyle W. Roche

KYLE ROCHE P.A.

Kyle W. Roche

260 Madison Ave., FL 8

New York, New York 10016

Email: kyle@kyleroche.law

Counsel to Jason Stone and KeyFi Inc.

– and –

Elizabeth D. Scott (admitted *pro hac vice*)

2300 N. Field Street, Suite 1800

Dallas, Texas 75201

Telephone: (214) 969-2800

Facsimile: (214) 969-4343

Email: edscott@akingump.com.com

*Special Litigation Counsel
for Debtors and Plaintiffs
Celsius Network Limited and
Celsius KeyFi LLC*

IT IS SO ORDERED.

Dated: December 16, 2022

New York, New York

/s/ Martin Glenn

MARTIN GLENN

Chief United States Bankruptcy Judge